DEPARTMENT OF DEFENSE BLOGGERS ROUNDTABLE WITH COMMANDER PATRICK MACK, MNSTC-I, J-7, VIA TELECONFERENCE FROM IRAQ SUBJECT: SECURITY OPERATIONS UPDATE TIME: 9:00 A.M. EST DATE: MONDAY, NOVEMBER 26, 2007

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CHARLES "JACK" HOLT (chief, New Media Operations, OASD PA): Okay. Well, we might as well get started. And Sergeant, you say you've got Commander Mack on the line?

SGT. : Yes, sir.

MR. HOLT: Okay.

CMDR. PATRICK MACK: Good morning all, Commander Pat Mack here. Why don't we start -- give background on me so you'll understand my biases; my role here at MNSTC-I; the overall role of MNSTC-I, and I think many of you have interviewed MNSTC-I leadership before; and then I'd like to spend a few minutes talking about construction and really the foreign military sales part of construction. So as I said, I'm Pat Mack, originally from Miami, Florida. I came here to Iraq in March of this year. Looking to head back to the D.C. area in March.

I am the deputy engineer here at MNSTC-I, and this particular directorate is charged with the infrastructure development of all of the facilities needed to support the Iraqi security forces. That's national police, Iraqi police, Iraqi army, border patrol, so forth. So all of the sub-elements of the ministries of Interior and Defense.

To date -- or at current we have about 170 some active projects all throughout Iraq. Since we started the infrastructure build in 2004, this directorate has delivered \$5.4 billion in infrastructure. So it's been a substantial engagement with -- (inaudible) -- MOD. On average, we complete about 10 police stations a month, and we deliver roughly a base a quarter for the Iraqi army. We've seen the results of those deliveries in increased throughput and capability of both of those services.

As you know, most of the current investment is in -- the large percentage of the current investment in infrastructure for MOI and MOD has been coalition-funded. In August of this year, working with the Ministry of Defense, we had the first nine projects for a total of 350 million (dollars) U.S. funded by the Ministry of Defense. In my mind, that's a substantial undertaking.

It shows a couple things. For one, they've got some processes -- governmental and bureaucratic processes -- matured to a point where they can

identify outyear requirements with assistance from us and then work those through the fiduciary process to get them funded, and then they have the trust in the U.S. government to deliver those. So lots of high-fives that day when you had that commitment. We anticipate a similar commitment in 2008 and '09.

So with that brief overview and background, I'm prepared to take your questions.

MR. HOLT: Okay, sir, thank you very much. Jared, you were first on line, so why don't you get us started.

Q Yes, sir. First off, thanks for your time.

Would we be able to get a PowerPoint presentation or some kind of written out -- some of the same stuff you were just going over just so we can have it for our records and be able to distribute it along?

CMDR. MACK: Sure.

Q Great.

And what is your -- you've been there for quite a while and you're kind of coming up towards the end of your tour there. What have you seen change during the last 10 months as far as, on the Iraqi side, their ability to either improve their own actions or utilize the things that you're building for them better? What kind of things on the progress front have you seen in a change since the beginning until now?

CMDR. MACK: Great. And I'm sorry I missed your first name, but I'll take that question and address it from two parts.

One area that you get insight when you do this business is the industrial side of the house -- you know, material suppliers, vendors, moving transport through the country. I can tell you that from March until about August, that was a substantial undertaking. Many of the material shipments were interdicted. Lots of intimidation by insurgency or activities that weren't necessarily interested in the stabilization of that particular region. Workforce issues, where you couldn't get skilled labor to a construction site because of those similar elements.

Starting at about August, we saw a marked decrease of that activity. I don't have the latest figures, but I can tell you that there is a perceived and substantial drop in the number of what we call significant incident reports we receive across our desks daily. So from a sheer ability for the local industry to handle the volume of work, we've seen marked improvement in both workforce and material delivery.

On the ministerial development side, as you gain some advances in security, it gives those folks an ability to focus on the future. So as I said earlier, the investment that the MOD has made in the outyears for the sustainment of the Iraqi army is -- I view it as a positive step, in part and parcel enabled by the drop in insurgent activity that allows you to focus on the business at hand.

MR. HOLT: All right.

And Andrew.

 ${\tt Q} {\tt Commander}, \; {\tt good} \; \; {\tt afternoon}. \; \; {\tt Andrew} \; {\tt Lubin} \; \; {\tt from} \; {\tt U.S.} \; \; {\tt Cavalry} \; {\tt ON} \; \; {\tt Point}.$

We were talking to some people from MNSTC-I about two months ago and they were mentioning that the Iraqis had \$2.5 billion stuck in the States. They were having trouble getting it spent because our system -- different system of checks and balances and offset checks and balances was taking forever. Has this been speeded up so they can actually spend the money back in the States?

CMDR. MACK: Andrew, I'm sorry, I had a real tough time hearing you. Could you repeat your question, please?

Q Yes. We've been told in the past that there's about \$2.5 billion that the Iraqi government has lodged in the States for foreign military sales. And the comments to go along with that were that the American system of checks and balances and offset checks and balances, et cetera, was keeping the Iraqis from spending the money. Has our system been squared away enough where they can spend the money relatively quickly?

CMDR. MACK: Yeah, Andrew, I heard all that question.

Yeah, and I can tell you that General Dubik is, with the help of others, has significantly streamlined the FMS procurement and payment system. That system principally was designed to do -- (inaudible) -- procurement. Well, obviously we are not in that environment, so the normal timelines associated with the routine processing of documents has been significantly accelerated, thanks to the help of a lot of folks in the Washington area. I don't think that's a challenge today.

Q Well, have they put in a request today, or are they talking getting materials shipped out within months or multiple months?

CMDR. MACK: It depends on that end item requested. Sure, commodity things, obviously that is a shorter procurement cycle. But when you're talking specialized military equipment and hardware, that could be a multi-month procurement.

Q Okay, thank you.

MR. HOLT: Okay, Christian.

Q Hi, Commander Mack. It's Christian Lowe calling from Military.com and DefenseTech.org.

A quick question here. There's been some criticism leveled at American efforts -- American military efforts over there in these construction projects that we're concentrating too much on the high profile, big, complicated government -- Iraqi government centered projects and not really the ones that benefit the localities where we see this sort of political reconciliation going on. Do you see it that way? Can you give some examples of some projects that you're working on through this that are -- that really benefit small localities, bottom-up kind of improvement?

CMDR. MACK: Sure, Christian. And as I said earlier on, the infrastructure projects that are resourced by MNSTC-I or sponsored by MNSTC-I, our funding has particular language. That funding has to be targeted at the

Ministries of Interior and Defense. So what we end up with is an infrastructure investment in police stations, border forts, bases -- traditional military buildouts.

Q Okay. CMDR. MACK: I'll address the complexity portion of your question first. One of the challenges when you don't have a stable economic base is doing the maintenance and upkeep of facilities. We've seen a marked improvement in there, but that doesn't mean that there isn't room for that area to grow. So when we sit down with the companies and do plan and design of facilities, we do look for function before we look at features. So we do take complexity and the ability to manage the maintenance portions of that buildout over the design life of the building very seriously.

Q Right.

CMDR. MACK: So I think at least in -- my sense is, in the facilities that we delivered, we don't have a lot of the challenges that your question posed.

Q Okay.

CMDR. MACK: Second order, effects of the construction. While we have been targeted principally at the security sector, if you build a hospital out in a remote portion of the country, obviously some of the local citizens benefit from that, on the Iraqi army side. In the police areas, every time you put a police station in a neighborhood where one was not there or you had a local citizenship group that was active but didn't have a governmental entity there, once you get those folks in and doing the right things, you see tremendous increases in market activity, kids going to school. I think you saw some of the recent press where people are out more in the evenings. People are having weddings, all those things. So while principally -- (inaudible) -- at or targeted at security and justice sectors, I think, you know, at least in my 10 months here, I've seen second- and third-order effects of the construction benefit the average citizen.

Q Okay, thanks a lot.

MR. HOLT: All right. Any follow-up questions?

Q I have a follow-up.

MR. HOLT: Okay, Jared. Jared, go ahead.

Q Thanks. Could you talk a little bit more to just sustainment as far as the Iraqis' ability as we continue to drawdown in the next few years? Will they be able to build some of these projects? Do they have the expertise or the knowledge to keep them up or to further expand on the efforts that you've already been making?

CMDR. MACK: Sure. I'd love to address that question.

I think that's one of the good news stories, have been funding construction via foreign military sales. We have signed a charter with our counterparts in the Ministry of Defense where, at each one of the locations that the Iraqi government has funded construction, they bring their engineers along with our engineers and we do side-by-side oversight, planning and

evaluation of the construction. So at the very bottom of the ministerial capability, I'm starting to grow folks that can do construction management.

Now, when it comes to planning for each one of the facility buildouts, we sat down with the MOD engineers, side-by-side, and went through every design, every drawing, and got their insight and approval. So I've also developed some capability on the high side of that organization, so I've got field engineers and they have planners at the ministerial level.

As we put together the estimates in the budget, we worked with their finance folks who do things like, "Okay, for a facility of this size with this type of capital investment, your annual sustainment bill or costs will be X." So I think you'll see we've started planting the seeds so the next time we go through this process they're a little smarter. And eventually this organization works itself out of the job, which is what we're after here, is to transition this capability to the MOD so that they can be self-sustaining and self-sufficient.

MR. HOLT: Okay.

Andrew, did you have a follow-up?

Q Yes, I did. Commander, Andrew Lubin again from ON Point.

Sir, how small a project does MNSTC-I get involved in? It seems in everything we read that most of the big projects take years and years, and, especially with the American contractors, don't get done particularly well. And the smaller projects go quickly, the people love them and they're easy to control.

CMDR. MACK: Great question.

Construction in a less-than-secure environment it's -- (audio break) -- just at home, as you've been engaged in it, you understand that there's definitely challenges. When you do the volume of work we do and in the environment you do, there are some projects that have some concerns. We've had those in the past.

However, I will tell you that the average timeline for a police station is roughly a quarter, so every three months or so you're start -- from start to finish, you're going through those. For larger builds, our notional timeline is nine to 12 months. Those are for facilities that will support a brigade headquarters, one/two/three battalions.

One of things we've done is we've went up to Irbil. There is an Iraqi small business there that has developed prefabricated construction products, so it gets you out of brick-and-mortar builds. It allows you to do things with much reduced maintenance costs and development costs. It also addresses a lot of your quality concerns up front.

Now, that's significant details onto your question, but we have, in this case, partnered with a local industry to address a lot of things that we've learned in business here for a number of years: one, how do it -- how do we make facilities that are easy to maintain and have the desired -- (audio break)? So hopefully that gets to the heart of your question.

 $\ensuremath{\mathtt{Q}}$ Okay. Are you working closely with the Army Corps of Engineers then?

CMDR. MACK: We do work with the Corps of Army Engineers. Another agency that we deal with construction is the Air Force and their Center of Environmental Excellence, kind of a misnomer for the relationship we have. They execute a significant portion of our construction. This is a joint command, so while it's headed by an Army three-star, admiral Navy, commander and -- we have Army, Air Force and Navy folks (in it?).

Q Great, thank you.

MR. HOLT: Okay. Anyone else?

Q Yes, this is Donna Miles, American Forces Press Service.

May I just ask for some clarification, please? I understand foreign military sales is a five-step process. Can you just kind of quickly walk me through what the five steps are and where we stand in that process?

CMDR. MACK: Well, Donna, I can give you a general overview. I'm a construction guy that happens to execute foreign military sales, but I'll make sure I get you the specifics on your question.

Q Just a kind of quick Reader's Digest version would be helpful.

CMDR. MACK: Sure. At the broadest sense, the program is an agreement between two governments to deliver a capability that government A, if you will, cannot develop without the inherent capability, technical, industrial base to do it, or the time or the resources. So in this case, the government of Iraq has several FMS cases -- (inaudible) -- and it all starts with the ministries. In my case, the Ministry of Defense identified a need or requirement that they could not resource. And in our case, it was time to get it done. They couldn't deliver the facilities in the time.

So they send -- it's called a Letter of Request -- that's a formal document -- from their minister over to our government. We then take that Letter of Request, come back and translate those requirements or the request in the requirements and establish costs for those. It goes back to the government of Iraq, and they issue a Letter of Acceptance. So it is -- like I said, I'll give you specifics on an exchange here when I send out the PowerPoint briefing packet, but at its broadest -- (inaudible).

Q Thank you.

MR. HOLT: All right. Any other questions? All right.

Well, Commander Mack, thank you very much for joining us on the bloggers roundtable this morning. We appreciate that. And for the PowerPoint briefings, if you can you send those -- send that up to MNF-I, they can forward it on to me, and that we'll make that -- and we'll get that distributed.

Q Wonderful. Will that be coming out shortly?

CMDR. MACK: As soon as I can get it through my public affairs team and

Q Wonderful.

MR. HOLT: All right, sir. Thank you very much.

Do you have any closing comments for us, sir?

 ${\tt CMDR.\ MACK:}\ {\tt No}$, I just appreciate the opportunity to share what I consider to be good-news stories.

 $\,$ MR. HOLT: All right. Thank you very much, sir, and maybe we'll get a chance to speak again before you rotate back.

Q Great.

CMDR. MACK: Okay.

Q Thank you.

MR. HOLT: Thank you, sir.

Q Thank you.

Q Thanks, Commander.

END.